

loops SWBT performance delivered to NorthPoint was compliant in December. There were less than 10 data points in September and October.

Table 11: PM-55.1, Avg. Installation Interval DSL Loops Non-Conditioned (Statewide NorthPoint aggregate)

CLEC Perf	N/A	7.00	6.35	7.06
SWBT Perf	7.76	5.80	6.52	6.77
# CLEC Orders	N/A	XXX	XXX	XXX
Z- value	Base <10	Base <10	-0.46	0.84

Table 12: PM-55.1, Avg. Installation Interval DSL Loops Conditioned (Statewide NorthPoint aggregate)

CLEC Perf	N/A	N/A	14.83	12.40
SWBT Perf	12.00	9.50	11.50	11.50
# CLEC Orders	N/A	N/A	XXX	XXX
Z- value	N/A	N/A	Base <10	0.36

2. Covad Performance Under PM-55.1

The PM-55.1 data in the table below for Covad non-conditioned loops shows that SWBT missed the performance in November. SWBT also missed the performance in December, but showed improvement while Covad's order volume increased by nearly 53% for non-conditioned loops. For conditioned loops, SWBT performance delivered to Covad was compliant in December and better than parity in September. I note that the compliant performance improved in December, while the order volume increased by nearly 52%.

Table 13: PM-55.1, Avg. Installation Interval DSL Loops Non-conditioned (Statewide Covad aggregate)

CLEC Perf	13	9.29	7.92	7.60
SWBT Perf	7.76	5.80	6.52	6.77
# CLEC Orders	XXX	XXX	XXX	XXX
Z- value	Base <10	Base <10	3.78	2.38

Table 14: PM-55.1, Avg. Installation Interval DSL Loops Conditioned (Statewide Covad aggregate)

CLEC Perf	9.50	16.42	20.88	15.62
SWBT Perf	12.00	9.50	11.50	11.50
# CLEC Orders	XXX	XXX	XXX	XXX
Z- value	-1.25	4.14	8.49	1.63

B. PM-58, % SWBT Missed Due Dates--DSL

1. Comparison to SWBT's DS-1 Retail

The performance data shown in the table below demonstrates that SWBT delivered parity performance for three out of four months during the months of September through December. As the number of CLEC orders increased by 43% in December, SWBT performance improved.

Table 15: PM-58, Comparison of Wholesale DSL to Retail DS-1 Performance

CLEC #	19	128	346	495
CLEC	15.8%	9.4%	10.1%	12.1%
SWBT #	XXX	XXX	XXX	XXX
SWBT DS-1	7.1%	5.2%	4.5%	9.8%
Z Value	1.39	1.59	2.58	0.87
Compliant	Yes	Yes	No	Yes

2. Comparison to SWBT's Retail DSL

Analysis of performance data as reported by SWBT, in comparison to its retail DSL, on a statewide basis for PM-58, indicates that if DSL loop requests that could not be provided due to lack of facilities are excluded from the metrics, the SWBT performance is in compliance during the month of December.

In Texas, the CLECs are providing different flavors of DSL services, whereas SWBT is predominantly providing ADSL service. Also, SWBT is providing its ADSL services to its end use customers by sharing the analog POTs line, therefore SWBT has fewer instances of lack of facilities; whereas, CLECs providing other flavors of DSL (such as SDSL, IDSL, etc.) would need a second or additional pair of copper facilities to the customer premises. However, with the implementation of line sharing, for those CLECs who intend to provide ADSL services the number of instances of lack of facilities can be expected to be lower.

The data shown in the chart below shows that on a statewide aggregate basis for all CLECs without the exclusion of CLEC loop orders for which there were lack of facilities, SWBT missed the performance for all four months. However, if the loop orders that could not be provisioned due to lack of facilities are excluded from the measure, the performance in December is compliant as the number of CLEC orders increased during the month.

**Table 16: PM-58, % SWBT Missed Due Dates
(Statewide All CLECs)**

September	15.8%	4.1%	2.52
October	9.4%	3.4%	3.52
November	10.1%	4.4%	4.77
December	12.1%	6.3%	4.79

**Table 17: PM-60, % Missed Due
to Lack of Facilities**

0.0%	0.9%
3.9%	1.0%
4.0%	1.1%
6.7%	0.6%

**Table 18: PM-58, With the Exclusion of Loops
Without Facilities**

September	15.8%	3.3%	3.02
October	5.7%	2.5%	2.20
November	6.3%	3.4%	2.79
December	5.8%	5.8%	0.08

**C. PM-60, % Missed Due to Lack of Facilities, Comparison to SWBT's DS-1
Retail**

The performance data for PM-60 below, shows that SWBT delivered better than parity performance in September, parity performance in October and December, and near parity performance in November. SWBT's compliant performance improved in December, while the CLEC order volume increased by nearly 43% from November.

**Table 19: % Missed Due to Lack of Facilities Comparison to DS-1
Retail**

CLEC Perf	0.0%	3.9%	4.0%	0.07
SWBT Perf	3.2%	1.7%	1.5%	0.04
# CLEC Orders	19	128	346	495.00
Z - Value	(0.79)	1.33	1.85	1.40

D. PM-61, Average Delay Days Due to Lack of Facilities

The performance data for PM 61 in comparison to DS-1 loops shows that SWBT delivered better than parity performance in November and December, although the number of

delayed orders increased in December. Also, in comparison to its retail DSL, SWBT delivered compliant performance in November, and better than parity performance in December.

Table 20: Comparison to SWBT Retail DS-1 (Statewide)

CLEC Perf	N/A	7.4	16.07	7.45
SWBT Perf	14.11	11.20	38.25	24.00
# CLEC Orders	0	5	14	33
Z - Value	N/A	Base < 10	-1.41	-4.66

Table 21: Comparison to Retail DSL (Statewide)

CLEC Perf	N/A	7.4	16.07	7.45
SWBT Perf	14.03	9.58	13.74	10.93
# CLEC Orders	0	5	14.00	33.00
Z - Value	N/A	Base < 10	0.59	-1.31

E. PM-62, Average Delay Days SWBT Caused Missed Due Dates

For PM-62, SWBT provided better than parity performance during the months of October through December in comparison to DS-1 loop performance. Average delay days in comparison to SWBT's retail DSL shows non-compliant performance in November and December. To a certain extent the non-compliant performance in comparison to SWBT's retail DSL may be attributed to other types of DSL services that cannot share a POTS line and/or the varying requirements for conditioning.

Table 22: Comparison Wholesale DSL to SWBT Retail DS-1 for PM-62

CLEC Perf	2.67	9.33	13.66	6.25
SWBT Perf	14.75	13.1	18.5	14.65
# CLEC Orders	3	12	35	60
Z value	Base < 10	-0.48	-0.62	-2.74

Table 23: Comparison to SWBT's Retail DSL

CLEC Perf	2.67	9.33	13.66	6.25
SWBT Perf	7.52	6.45	7.93	4.06
# CLEC Orders	3	12	35	60
Z value	Base < 10	1.00	2.36	2.14

F. Analysis of Geographically Disaggregated Performance Data

For different market areas in Texas, the aggregate CLEC performance data related to DSL provisioning is analyzed below.

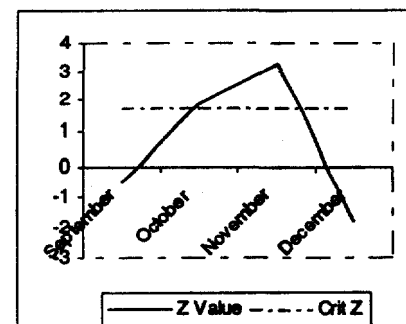
1. Dallas/Ft. Worth area

Analysis of geographically disaggregated data for PM-58 in the Dallas/Ft. Worth area shows that SWBT provided near or better than parity performance for three out of four months, if loops without facilities are excluded from the measure. In comparison to DS-1 loops, the aggregated CLEC order volume increased by approximately 58% from November to December and SWBT delivered better than parity performance in December.

The data from PM-60 shows that only two orders were excluded in October and November due to lack of facilities out of a total of 43 and 137 orders respectively. In December 13 out of 217 orders were excluded. The average delay days for loops due to lack of facilities (PM-61) were 2, 11, and 8.8 days in October, November, and December respectively (whereas, SWBT's retail DSL performance data shows a delay of 8.5, 3.6 and 6.5 days) which demonstrates that for two out of three months SWBT provided better than parity performance. The number of orders delayed due to lack of facilities also reduced in December.

Table 24: Aggregate CLEC Performance, % SWBT Missed Due Dates - DFW

Sept	7	7	0%	3%	-0.50	1.70
Oct	43	41	10%	4%	1.83	1.70
Nov	137	135	10%	4%	3.25	1.70
Dec	217	204	4%	8%	-1.76	1.70

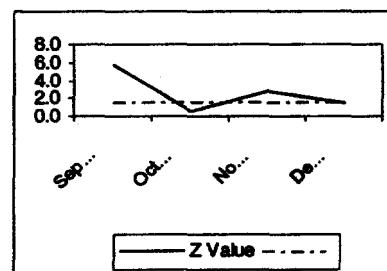


2. Central and West Texas area

In the Central and West Texas area SWBT delivered better than parity performance for two out of three months as shown below. In October the CLEC order volume increased by 450 % and the CLEC performance improved and was in compliance. In December, although the CLEC volume of orders for which facilities were available increased 3%, the performance also improved significantly and the Z value was below the critical Z factor.

Table 25: Aggregate CLEC Performance, % SWBT Missed Due Dates - Central and West Texas

Sept	10	10	30.0%	1.8%	5.8	1.70
Oct	55	54	1.9%	1.0%	0.6	1.70
Nov	71	63	6.3%	1.3%	2.8	1.70
Dec	70	65	6.2%	2.8%	1.5	1.70

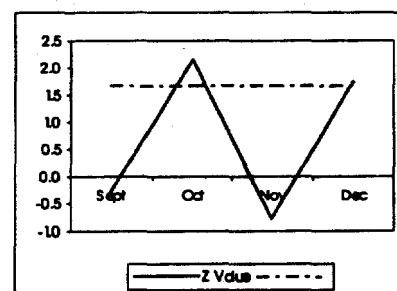


3. Houston area

As shown below, in Houston area, SWBT delivered better than parity or parity performance for three out of four months. In November, although the CLEC volume of orders for which facilities were available increased by 500%, the performance delivered to CLECs was better than parity.

Table 26: Aggregate CLEC Performance, % SWBT Missed Due Dates - Houston

Sept	2	1	0.0%	3.8%	-0.3	1.70
Oct	30	22	7.1%	1.7%	2.1	1.70
Nov	137	132	2.3%	3.6%	-0.8	1.70
Dec	207	207	7.3%	4.4%	1.7	1.70



4. South Texas Area

In the South Texas area CLECs did not have significant activity related to DSL.

G. Analysis of provisioning performance data specific to NorthPoint

The PM-58 data in comparison to SWBT DS-1 loops shows that SWBT delivered better than or compliant performance for two out of three months. Also, the data for NorthPoint in comparison to SWBT's retail DSL shows that if the exclusion for lack of facilities were applied, SWBT delivered performance was better than parity in December while the CLEC order volume increased by 25.8% from November and by 1456% from October.

Month	SWBT	NorthPoint	Ratio	Difference
September	N/A	N/A	7.1%	N/A
October	XXX	0%	5.2%	-0.94
November	XXX	9.6%	4.5%	2.17
December	XXX	12.9%	9.8%	1.01

Table 28: PM-58, % SWBT Missed Due Dates Statewide (NorthPoint)

Month	SWBT	NorthPoint	Ratio	Difference
September		#DIV/0!	4.1%	#DIV/0!
October		0%	3.4%	-0.76
November		10%	4.4%	3.40
December		13%	6.3%	4.02

Table 29: PM-60, % Missed Due to Lack of Facilities

Month	SWBT	NorthPoint
September	#DIV/0!	0.9%
October	0.0%	1.0%
November	3.5%	1.1%
December	7.7%	0.6%

Table 30: PM-58, With the Exclusion of Loops Without Facilities

Month	SWBT	NorthPoint	Ratio	Difference
September		#DIV/0!	3.3%	#DIV/0!
October		0.0%	2.5%	-0.64
November		6.1%	3.4%	2.02
December		5.2%	5.8%	-0.34

H. Analysis of provisioning performance data specific to Covad

The performance data for PM-58 in comparison to SWBT's retail DS-1 loops shows that the performance in December improved and complied with the parity standard. The performance data in comparison to SWBT's retail DSL shows that if the exclusion for lack of facilities were applied, SWBT delivered performance was at or near parity in November and December while the CLEC order volume increased by nearly 100% in December in comparison to November. Covad's order volume for DSL loops in December increased by 200% from October and by 1464% from September.

Table 31: PM-58, % SWBT Missed Due Dates Statewide Comparison to DS-1 Loops (Covad)

September	XXX	21.4%	7.1%	1.96
October	XXX	14.1%	5.2%	2.63
November	XXX	12.1%	4.5%	2.67
December	XXX	12.4%	9.8%	0.83

Table 32: PM-58, % SWBT Missed Due Dates Statewide (Covad)

September	21.4%	4.1%	3.21
October	14.1%	3.4%	4.74
November	12.1%	4.4%	3.79
December	12.4%	6.3%	3.50

Table 33: PM-60, % Missed Due to Lack of Facilities

0.0%	0.9%
5.6%	1.0%
5.6%	1.1%
6.0%	0.6%

Table 34: PM-58 With the Exclusion of Loops Without Facilities

September	21.4%	3.3%	3.76
October	8.5%	2.5%	3.12
November	6.5%	3.4%	1.78
December	6.4%	5.8%	0.41

I. Analysis of provisioning performance data specific to Rhythms

The performance data for PM-58 in comparison to SWBT's retail DS-1 loops shows that the performance in November and December was at a parity and better than parity respectively. The performance data in comparison to SWBT's retail DSL shows that if the exclusion for lack of facilities were applied, SWBT delivered performance was at or better than parity in November and December while the CLEC order volume increased by nearly 83% in December in comparison to November. Rhythm's order volume for DSL loops in December increased by 2100% from October, while the performance delivered by SWBT was better than parity.

Table 35: PM-58, % SWBT Missed Due Dates Statewide Comparison to DS-1 Loops (Rhythms)

September	XXX	N/A	4.1%	XXX
October	XXX	0.0%	3.4%	XXX
November	XXX	8.3%	4.4%	0.61
December	XXX	4.5%	6.3%	-0.81

Table 36: PM-58, % SWBT Missed Due Dates Statewide (Rhythms)

September	XXX	4.1%	XXX
October	0.0%	3.4%	XXX
November	8.3%	4.4%	0.67
December	4.5%	6.3%	-0.35

Table 37: PM-60, % Missed Due to Lack of Facilities

XXX	0.9%
0.0%	1.0%
0.0%	1.1%
0.0%	0.6%

Table 38: PM-58, With the Exclusion of Loops Without Facilities

September	XXX	3.3%	XXX
October	0.0%	2.5%	XXX
November	8.3%	3.4%	0.95
December	4.5%	5.8%	-0.24

VI. Performance Related to Maintenance and Repair of DSL Loops

I evaluated the data reported by SWBT for the maintenance and repair PMs. PM-65, *Trouble Report Rate for DSL Loops*, captures the monthly report rate for all installed DSL loops. The approved Business Rule (Version 1.6) requires that the parity comparison for this measure should be made to SWBT's DS-1 loop performance. SWBT's reported data compares the performance to its retail DSL service. The performance data below shows that SWBT's performance for three out of the four months was better than or close to parity when compared to SWBT's DS-1 or DSL retail analogue.

Table 39: Aggregate Statewide Performance Maintenance and Repair

	Sept	Oct	Nov	Dec
CLEC #	25	178	515	974
CLEC	0.0%	4.5%	4.1%	7.7%
SWBT DS-1	5.5%	5.8%	5%	4.1%
SWBT DSL	8%	8.4%	6.1%	4.6%
Z (DSL)	-1.4	-1.8	-1.9	4.3
Comply?	Yes	Yes	Yes	No

The performance on a disaggregated basis shows that in Central and West Texas, SWBT provided compliant performance while the number of DSL loops for CLECs increased by 131% in December. In the Dallas/Ft. Worth and Houston areas the number of CLEC DSL loops increased by 103.4% and 113.2% in December and SWBT's performance was not compliant.

Even though SWBT missed PM-65 for the Dallas/Ft. Worth and Houston areas, to have a more complete picture of the performance on maintenance and repair, it is necessary to review PM-65 performance in conjunction with that under PM-67 and PM-69. An important aspect of evaluating the maintenance related performance is to consider the average time taken to clear the trouble reports (PM-67). PM-67 performance data shows that on a statewide aggregated basis, SWBT provided better than parity performance in November, where SWBT cleared 21 trouble reports in an average of 12.25 hours, while the average time for its retail DSL was at 14.83 hours. In December, there were 74 trouble reports with an average clearing time of 13.38 hours,

while SWBT's retail performance was at 12.56 hours; however, the Z value of 0.27 indicates that SWBT was well below the critical Z value of 1.7, thus indicating parity performance.

PM-69 measures the percentage of repeat trouble reports. The performance data for the months of November and December shows that SWBT delivered better than parity performance in November (Z value of -2.00), and in December the performance was at parity (Z value of 0.21).

VII. Performance data analysis for 2-wire Digital ("BRI") Loops Provisioning

An analysis of performance data related to provisioning of BRI loops shows that SWBT provided compliant performance for three out of four months during the months of September through December. Although the performance in December was not compliant for missed due dates (PM-58), PM-60 shows that the average delay days for missed due dates was 7.98 days in comparison to SWBT's retail average delays of 20.29 days.

Table 40: PM-58, % SWBT Missed Due Dates BRI Loops (Statewide) All CLECs

CLEC Perf	5.2%	11.2%	12.4%	23.3%
SWBT Perf	16.0%	15.7%	16.2%	15.5%
# CLEC Orders	248	268	258	374
Z- value	-4.57	-2.01	-1.64	3.93

Table 41: PM-62, Avg. Delay Days for Missed Due Dates (Statewide) All CLECs

CLEC Perf	20.38	10.43	11.44	7.98
SWBT Perf	9.47	8.97	11.30	20.29
# CLEC Orders	13	30	32	87
Z- value	1.95	0.43	0.03	-2.90

A. PM-58 Data for BRI Loops

It is my understanding that some CLECs are ordering BRI loops for provisioning of IDSL services. The data contained in the table below shows that SWBT's performance on a statewide aggregate basis has been better than parity for three out of four months. However, in December the performance was non-compliant.

Table 42: PM-58, % SWBT Missed Due Dates BRI Loops (Statewide) All CLECs

CLEC Perf	5.2%	11.2%	12.4%	23.3%
SWBT Perf	16.0%	15.7%	16.2%	15.5%
# CLEC Orders	248	268	258	374
Z- value	-4.57	-2.01	-1.64	3.93

SWBT was criticized by commenters for its performance related to BRI loops used for IDSL. The Texas Commission requested information from SWBT on this issue. Based upon that information, it is my understanding that the type of IDSL used by DSL CLECs in Texas is not always fully compatible with the industry standard for BRI loop (digital loops). In many cases, although SWBT provisioned the BRI loop according to industry standard design, the CLEC was unable to provide its form of IDSL service. In response to this problem, CLECs are working with their vendors to make the necessary changes to their equipment.

It has come to my attention that SWBT has been using work-around on an order-by-order basis for BRI loop requests. In the meantime, in an effort to ensure that CLECs can provide the desired service to their end users SWBT has been redesigning and reassigning these loops in order to allow the CLEC to meet its customers' expectations for performance. Although SWBT could simply complete the order, in cases where a SWBT technician realized prior to the completion of the order that the loop would not meet the CLEC's needs (although correctly provisioned), SWBT has performed work-around prior to the completion of the order. This activity has impacted PM-58 ("Percent SWBT Caused Missed Due Dates [for BRI Loops]"). Notwithstanding, SWBT's proactive behavior provides the CLEC with a usable loop sooner than if SWBT completed the loop order and waited until the CLEC called in a trouble report before beginning the modifications.

VIII. Maintenance and Repair Performance for BRI Loops

Although the performance as related trouble report rates is not compliant for three out of four months, the mean time to restore trouble was better than parity two months and near parity in December. The weighted average time to restore service over the four month period is 7.17 hours. When compared to SWBT's lowest average of 5.84 days in December it yields a

calculated Z value of 1.44, which indicates compliance. I believe that SWBT's performance provides a meaningful opportunity to compete.

Table 43: PM-65, Trouble Report Rate-BRI Loops (Statewide) All CLECs				
CLEC Perf	2.2%	5.4%	9.1%	19.3%
SWBT Perf	2.8%	2.7%	2.4%	2.5%
# CLEC Orders	134	240	405	601
Z- value	-0.39	2.6	6.62	25.71

Table 44: PM-67, Mean Time to Restore (Hours) - BRI Loops (Statewide) All CLECs				
CLEC Perf	3.07	4.78	6.35	7.81
SWBT Perf	11.55	8.52	6.55	5.84
# CLEC Orders	3	13	36	115
Z- value	Base < 10	-0.61	-0.10	2.12

IX. Conclusion

Based on a thorough analysis of (1) reconciled data provided in November 1999 by DIECA Communications, Inc. d/b/a Covad Communications Company (Covad), NorthPoint Communications, Inc. (NorthPoint), Rhythms Links, Inc. (Rhythms), and SWBT; (2) SWBT's reported performance data on xDSL, DS-1 and BRI loops; (3) data filed by SWBT before this Commission in *Ex Parte* submissions; and (4) CLEC-specific and aggregate data requested by Texas Commission staff from and provided by SWBT, I find that SWBT performance as related to xDSL ordering, pre-ordering, provisioning, maintenance and repair provides CLECs a meaningful opportunity to compete. As Texas Commission ordered process improvements related to pre-order, order and provisioning are implemented, the performance delivered to CLECs should improve even further.

This concludes my affidavit.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on February 21, 2000.

N.V. Srinivasa

Nara V. Srinivasa
Director, Network Analysis Section
Telecommunications Industry Analysis Division
Public Utility Commission of Texas

STATE OF TEXAS §
COUNTY OF TRAVIS §

Subscribed and sworn to before me this 21 day of Feb, 2000.

Teresa J. Montgomery
Notary Public

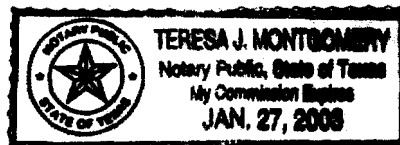


EXHIBIT 2



Performance from Experience

Telcordia Technologies, Inc.
14800 Quorum Dr. Ste. 320
Dallas, TX 75240-7073

An SAIC Company

February 18, 2000

Honorable Patrick Wood III, Chairman
Honorable Judy Walsh, Commissioner
Honorable Brett Perlman, Commissioner
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78701

Dear Commissioners:

I am submitting the attached affidavit in response to the request of the Texas Public Utility Commission for clarification of certain underlying data as reported on Page 206 of Attachment E20, of the Final OSS Readiness Report. This affidavit is in direct response to questions raised by comments in the FCC's Southwestern Bell Telephone Company Section 271 Application for Texas proceeding, CC Docket No. 00-4, relating to outages on UNE-P conversions. As detailed in my affidavit, SWBT's service outage rate was less than 1 percent for UNE-P conversions in the initial Third Party Testing.

I trust this provides the requested clarification.

Sincerely,

A handwritten signature in black ink, appearing to read "Judy K. Nix".

Judy K. Nix,
Director of Integration Testing, Southwest Region
Telcordia Technologies, Inc.

Attachment



STATE OF TEXAS)
) ss:
DALLAS COUNTY)

AFFIDAVIT OF JUDY K. NIX

Judy K. Nix, being duly sworn and under oath, deposes and states as follows:

1. My name is Judy K. Nix. I am over eighteen years of age, am of sound mind, and am competent to make this affidavit. I am employed by Telcordia Technologies, Inc. as Director of Integration Testing, Southwest Region. My office address is 14800 Quorum Drive, Suite 320, Dallas, Texas 75240.

2. I managed the third party testing of UNE-P test case scenarios for the Texas Public Utility Commission engagement. I have personal knowledge of every statement in this affidavit and it is true and correct and based on my own personal knowledge.

3. In the initial Third Party Testing, a total of 514 unique PONs were executed, of which 262 were UNE-P Conversion type orders. All of the 514 PONs were tested for various features, including 62 PONs that were tested for "Dial Tone only." The CLEC Test Participants confirmed the delivery of service by reporting their observations regarding whether dial tone was present.

4. As indicated in the table on Page 206 of Attachment E20, out of 62 "friendlies" (CLEC Test Participants), 55 reported "Dial Tone OK" and 7 reported "No Dial Tone." Therefore, the table reports an 11 percent figure for "No Dial Tone." However, of those 7 orders where "No Dial Tone" was reported, only 2 were conversion orders.

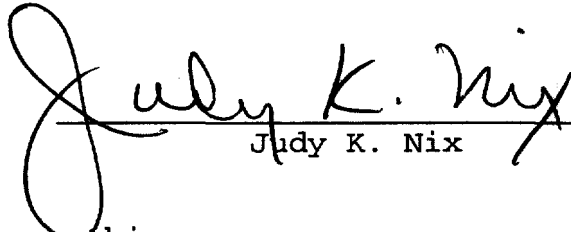
5. I was able to substantiate the root cause for one of the two conversion orders reported as "No Dial Tone" orders. For the order I substantiated root cause, I determined that the trouble was cleared in the central office and therefore, the service outage was attributable to SWBT. For the other order, I could not substantiate root cause because of the fact that there was no trouble report in SWBT's database. Therefore, I did not attribute this order to SWBT.

6. Out of the 262 conversion orders, the orders that were not tested for "Dial Tone Only" were tested for other features. Because these other features were on-line when tested, necessarily dial tone had to be present. Therefore, the error rate for service outage upon UNE-P Conversion was at most 2 out of 262 or .8 percent, and possibly only 1 out of 262 or .4 percent.

7. I am submitting this affidavit at the request of the
Texas Public Utility Commission.

Further Affiant saith not.





Judy K. Nix

Subscribed and sworn to before me this
18 day of February, 2000.



Notary Public



1

3

EXHIBIT 3



Performance from Experience

Ian M. Lifchus
Executive Director
Program Management

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An SAIC Company

February 18, 2000

Honorable Patrick Wood III, Chairman
Honorable Judy Walsh, Commissioner
Honorable Brett Perlman, Commissioner
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78701

Dear Commissioners:

A number of parties repeat the same allegations that they have made in the past, claiming that Telcordia is not impartial. These allegations are incorrect. The allegations were false then and they are false now. The facts are that Telcordia acted as an unbiased, independent consultant, whose activities were directed by its client, the TPUC. At no time in its role as consultant to TPUC did it test software systems supplied by Telcordia to SWBT, and even in Telcordia's indirect testing of SWBT systems that may have involved Telcordia-provided systems, identification of the supplier had no bearing whatsoever on the test methodologies, results or conclusions.

Telcordia is independent. Although Telcordia was formerly owned by the seven Bell Operating Companies,¹ it was sold to Science Applications International Corporation (SAIC) on November 17, 1997. The BOCs no longer own Telcordia, do not control it, and do not sit on its Board. Telcordia is not aligned with any particular segment of the telecommunications industry. Telcordia has business relationships with local exchange carriers, long distance carriers, and other segments of the telecommunications industry. Today, it provides software and telecommunications engineering and technical services to more than 800 customers worldwide, including among its customers many of the parties criticizing it in this proceeding. Telcordia is recognized as one of the preeminent consulting firms in the telecommunications industry, whose skills, expertise, and reputation for neutrality have made it the vendor of choice for technical analysis, testing, network design and training of telecommunications providers across the industry, both domestically and internationally.

Telcordia performed its work in Texas in a neutral and unbiased manner, with the highest degree of impartiality and integrity at the express direction of and to the

¹ Ameritech, Bell Atlantic, Bell South, NYNEX, Pacific Bell, Southwestern Bell, and U S WEST.

satisfaction of the Texas Commission. Telcordia was hired as a consultant to the TPUC. During that engagement, Telcordia took its direction solely from the TPUC and provided its deliverables solely to the TPUC, unless otherwise directed by the TPUC. At the direction of the TPUC, any Telcordia-SWBT interactions related to the engagement were only those approved by the TPUC and its staff. Any contentions about these matters to the contrary are simply incorrect.

Moreover, Telcordia's place in the telecommunications industry as a software developer did not create any conflicts of interest, contrary to allegations by some parties. Telcordia conducted its activities and reached its conclusions without regard to the supplier(s) of any software involved. Telcordia performed its activities under the supervision of the Commission staff and the Technical Advisory Group (TAG), which consisted of CLECs as well as SWBT and the Commission staff. Its Interim Report was the subject of many hours of formal and informal discussions with Commission staff and participants in the test; and its Final Report documents in detail its conclusions, rationale and supporting data.

As Telcordia stated in filings with the TPUC and the Texas Attorney General, and in a letter to AT&T, Telcordia directly validated the operation of OSSs used for preorder and order until their final invocation of SORD (a SWBT OSS that is described in the Interim and Final Reports). Not one of the systems that were the subject of testing and direct validation by Telcordia, as described in the Final Report, were created, developed, modified, marketed or provided to SWBT by Telcordia.

Telcordia also indirectly validated the operation of downstream systems by determining whether these systems as a group, along with associated installation activities, resulted in operating telephone services. In some cases Telcordia verified dial tone and in others it reviewed questionnaires returned by CLEC Test Participants. The indirect validation involved the entire suite of downstream systems as a group, and not individual ones, and was completely independent of the identity of the suppliers of the downstream provisioning systems involved in CLEC and SWBT installations, even though some of those downstream systems may be Telcordia systems. This indirect validation process was akin to validating that a keyboard, computer, computer operating system, word processing software and printer are working if typing a document on the keyboard results in a proper printout – a determination that would be wholly independent of the keyboard, computer, operating system, word processing software and printer involved.

Thus, there were no conflicts of interest stemming from Telcordia's testing.

Telcordia Maintained a Proper Distance from SWBT

Contrary to the false and unfounded allegations made by some of the parties, suggesting, among other things, that Telcordia routinely shared its findings with SWBT prior to reporting them to the TPUC, Telcordia was independent at the time it accepted the engagement with the Texas Public Utility Commission and maintained its

independence throughout. During the test, Telcordia reported to one party, its client, the Texas Public Utility Commission. Telcordia findings were shared only with the TPUC, and were made available to others, including SWBT, only if and when the TPUC so directed. Pursuant to the Master Test Plan ("MTP"), adoption of which is discussed below, Telcordia's role was to monitor the test execution and the negotiations among the Test Participants. Telcordia had numerous interactions with the Test Participants through the TAG, and in separate meetings, one for the CLEC Test Participants and one for SWBT. In addition, on a weekly basis the CLEC Test Participants met with the Texas Commission and Telcordia to share test status/issues. Telcordia acted according to the needs and direction of the Texas Commission. At no time was Telcordia reporting to SWBT before, during or after the test.

The record of activities in Texas abounds with examples of Telcordia's relationship to its client, the TPUC, and its rigid adherence to their instructions on maintaining distance from SWBT and promoting fairness in handling the entire engagement. During the Performance Measurements (PMs) evaluation, for example, Telcordia completed many interactions with the CLECs. During an on-the-record workshop in September 1999, Telcordia presented to the TPUC, the CLECs and SWBT a detailed preliminary evaluation of PMs selected for presentation by the TPUC. At this meeting, Telcordia further offered the CLECs the opportunity to select an OSS covered under the PM4 (OSS Availability) for which Telcordia would complete an end-to-end data evaluation. (Telcordia had already reviewed the EASE OSS). Telcordia completed the evaluation and reported its findings to the TPUC, which forwarded the results to the CLECs.

One party criticizes Telcordia for not challenging the scope of a particular Business Rule. However, Telcordia was directed by the TPUC staff not to express an opinion on the nature of the performance measures or whether the business rules established in Project No. 16251 were appropriate, as those issues were to be addressed by Commission staff and the parties to Project No. 16251. This issue was resolved by the TPUC and is now moot.

Another example that underscores Telcordia's independence from SWBT and the fairness of the process structured by the TPUC, related to Attachment J of the Interim Report. The version of Attachment J that Telcordia delivered to the TPUC and to the parties contained material that SWBT regarded as sensitive. At SWBT's request, the TPUC ordered that all copies of the delivered version be destroyed and replaced with a redacted version.

Moreover, the entire billing analysis was conducted based on CLEC information. The prices used for the verification process were extracted from Interconnection Agreements between SWBT and AT&T, and SWBT and MCI. Electronic bills, paper bills, and call flows were all provided to Telcordia by the CLECs. Industry guidelines were obtained from Telcordia's library, and the EDI documentation was provided by a Telcordia expert. The data consolidation process was between Telcordia and the CLECs, based on predetermined cases tested by the CLECs. In other words, all the data used for